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COMMITTEE ON THE BUDGET

SENIOR WHIP

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

September 3, 2010

Mr. Julius Genachowski  
Federal Communications Commission  
Washington, D.C. 20554

Dear Chairman Genachowski:

I write to share my concern about the potential negative implication for rural Americans of the National Broadband Plan, and to offer my support for the upgrade of infrastructure to connect rural health care providers.

The National Broadband Plan as currently defined risks instituting a dangerous digital divide between rural and urban areas. Specifically, I am concerned about the definition of broadband being 4 Mbps for rural areas and 100 Mbps in urban areas. There is no reason that rural users should be relegated to a second-class system with information available at 4 percent of the rate of those in urban areas. In fact, there is an argument to be made that rural users require at least as good broadband infrastructure as urban areas.

As our information technology becomes more robust, we are increasingly recognizing the potential of rapid data transmission to improve the lives of America. Nowhere is this potential clearer than in applications of health IT in rural areas. I support the Federal Communications Commission's investment in a permanent fund to support the upgrade of infrastructure to connect rural health care providers. The announcement of this investment in the Rural Health Care Program as part of the National Broadband Plan on July 15, 2010 can help citizens in North Carolina. The proposed health care goals in the health IT component arguably require more than 4 Mbps.

Local independent communications carriers have for a century built infrastructure and provided service to rural and under-served communities. This growth has been possible in no small part because of the consistent support of the Universal Service Fund. Over one hundred years ago the national commitment to universal service was created as, "one system, one policy, and universal service". The current proposal risks two policies, and second-tier service for rural America.

I ask that you consider the possible economic, medical, and social implication of this remarkable change in the national universal service commitment. The final National Broadband

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Mr. Julius Genachowski

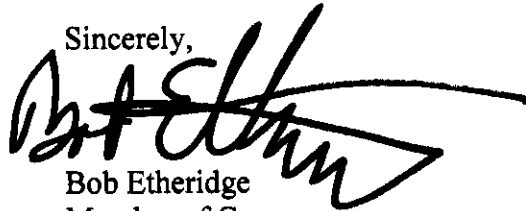
September 3, 2010

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Plan must be modified to be truly national, so that every American is served by high quality, high bandwidth service worthy of the label "broadband."

Thank you in advance for your consideration, and for your continued work on our nation's communications systems that are so important for rural America. If you have any questions, or would like to meet to discuss this further, please contact Jean Camp my office at 202-225-4531.

Sincerely,



Bob Etheridge  
Member of Congress

BE:JC



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

October 13, 2010

The Honorable Bob Etheridge  
U.S. House of Representatives  
1533 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Etheridge:

Thank you for your letter expressing concern about the effect of the National Broadband Plan's (NBP) proposed universalization level of 4 Mbps on rural America. The NBP called for a Connect America Fund to enable all U.S. households to access a network that is capable of providing both high-quality voice-grade service and broadband that satisfies the National Broadband Availability Target. Recently, the Commission's Omnibus Broadband Initiative (OBI) staff released a technical paper addressing the Target speed, which I am enclosing for your review. The OBI paper details the reasons for the 4 Mbps level and notes the importance of periodic adjustments as the data supporting the Target continues to evolve.

The 4 Mbps speed is very aggressive and represents one of the highest levels in the world today for universalization, while the NBP's 100 Mbps number is based on a long-range goal. Few residential customers today subscribe to 100 Mbps service, and 4 Mbps currently is the median speed purchased by consumers. Only 6 percent of consumers subscribe to broadband service that is faster than 10 Mbps. Broadband service at 4 Mbps permits consumers to utilize its full benefits, including web browsing, e-mail, two-way video conferencing, and watching educational lectures online in standard definition. The Target speed also is "reasonably comparable" to the broadband service currently provided in urban areas, which is the standard mandated under Section 254 of the Communications Act for universalization. Cost is also a factor that needs to be considered – subsidizing universal 100 Mbps deployment today could cost as much as \$320 billion, which could increase the size of the fund to \$40-50 billion annually, and lead to a universal service fee, on average, of \$30 per month per American household.

Be assured that I am committed to making broadband affordable and attainable by all Americans, regardless of where they live or which service providers they use. I look forward to working with you and other Members of Congress as the Commission transforms its universal service policies to ensure that there will be no digital divide in our nation. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



Julius Genachowski

Enclosure